

# Chicago Eagle.

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## UNTAXED GRAFT

### Untaxed Aldermen Who Pay No Income Tax on \$3,000 Aldermanic Salaries Prodigious with People's Money.

### Almost Seven Hundred Thousand Dollars of Hard Earned Taxpayers' Coin Given to Untaxed Pets Last Year.

Chicago alderman pay no income tax on their \$3,000 annual salaries. Neither do the "expert" pets to whom they voted nearly \$700,000 last year.

In 1916 the city spent \$688,422 for various forms of "expert" services. The figures for the expenditures for 1917 were not available, but it was estimated that the amount spent would exceed that of the year before.

This came up during a discussion before the city council committee on finance on the question of making real estate and other experts qualify before the committee before they are engaged. The committee has a rule requiring this, but it has not been lived up to.

Ald. Willis O. Nance, chairman of a subcommittee having the question of experts in hand, plans to make some radical recommendations.

"I can tell you why the public thinks there are a lot of 'rat holes' in the city hall," said Ald. A. A. McCormick, when the question of the experts was reached.

Following shows how money was spent in 1916 for expert services:

Gas litigation	\$ 86,732
Subway planning	105,939
Railway terminals	36,090
Council committees	36,046
Twelfth street	93,891
Michigan avenue	151,416
Special assessments	31,977

Miscellaneous real estate ..... \$1,097  
Legal ..... 12,021  
Legal, miscellaneous ..... 12,315  
Medical ..... 3,330  
All other miscellaneous ..... 37,760

Ald. Nance plans to ask the experts their political affiliations, past experience, earnings from private work, and what compensation they expect from the city.

### EGG HOGS

Harry A. Wheeler, Illinois State Food Administrator announces that:

Egg dealers who sell cold storage "firsts" as "extras" will be dealt harshly with by the United States government.

"Our agreement with the Chicago butter and egg board was for cold storage 'firsts,' as it was understood that there were no 'extras' on the market."

The agreement between the food administration and the committee was that 4 1/2 cents would be charged for cold storage "firsts."

"If any 'extras' have come on the market they can be treated on their merits," Mr. Wheeler said, "but the practice of selling 'firsts' at the fancy price of 'extras' in order to evade the agreement will not be tolerated. Sales of eggs will be investigated and the grades determined and where 'firsts' have been sold as 'extras' steps will be taken to punish."

Mr. Wheeler reiterated his statement that the government will not tolerate high prices and excessive prices inspired by the shortage caused by the weather.

### MADDEN MAY BE CHAIRMAN

Representative Martin B. Madden of Chicago has been named as the Illinois member of the Republican national congressional campaign committee. This action precedes a movement to make him chairman of the

house of representatives in the Ninth Senatorial district.

The arrangement carries with it the removal of opposition within the regular organization, particularly in the Fifth ward, to the nomination of John W. Rainey for congress to succeed the late Congressman Charles Martin.

Daniel Morrison, former captain of the west park police, has been chosen as the regular organization Republican candidate for alderman in the Thirty-fifth ward. Ald. Thomas J. Lynch is to have no opposition for re-nomination in the Democratic primaries, according to the latest agreement.

### ALDERMEN PLAN FOR MORE EXPERTS

The Taxi Cab Reformers in the City Council are working up a new scheme for squandering city money on "expert" pets.

Already several plans have been suggested. They include:

Appointment by the mayor of a permanent corps of experts to be paid a fixed salary.

Selection of experts for specific public enterprises through a civil service test.

Enactment of a city ordinance fixing qualifications of men who shall seek positions as experts.

### PLAN TO FIRE SERGEL

Pins are being set by the big political organizations to nominate and elect a president of the Sanitary district in 1918 and dispossess President Charles H. Sergel of the job. When Mr. Sergel was elected in November, 1916, he thought he had been elected for a six year term. It is now seriously contended that the president's term is only two years. Behind it all is the persistent feud that has up-

## RAISE INTEREST

### Next Liberty Loan Should Bear Greater Interest Rate Than Did the First Two Issues on Market.

### President Edmund D. Hulbert, Of the Merchants' Loan & Trust Company, Gives Good Reasons for Increase.

Eugene Hector, financial editor of the Chicago Tribune, in an article on the next Liberty loan, quotes Edmund D. Hulbert, president of Chicago's oldest bank, the Merchants Loan & Trust Company, as follows:

"The rate of interest on the next Liberty loan should be, in my opinion, not less than 4 1/2 per cent, and for several reasons.

"It is of first importance that the loan be fully subscribed; that outweighs every other consideration. Four per cent bonds are now selling at a discount. It will not be good business to ask subscribers to a loan to pay par for a bond which they can buy on the market at 96 1/2. Even at 4 1/2 per cent a strong appeal to patriotism will have to be made to float the loan, as the

purchasing government loans. The effect will be much the same whatever the rate may be. It is no help to the general market to have government bonds selling at a discount, but quite the contrary.

"The loan will, of course, be taken at whatever rate it is offered, but if it is not made attractive enough to insure wide distribution banks will be forced to take a large part of it. The banks of the country practically stand as the underwriters of every government issue, and if they are compelled to take a large portion of the loans themselves the effect on general business as well as on the investment market cannot be otherwise than harmful. It is of the utmost importance that these bonds should be kept out of the hands as much as possible, and we have good reason to believe that the next issue will have a much wider distribution than the last. If the rate is made attractive.

"Astounding results were obtained in the floating of the last loan by appeals to small subscribers, and developments toward the end of the campaign indicated that still more satisfactory results will be obtained when a special appeal is made to the farmers. Instances are recorded where every registered voter in certain farming communities subscribed for bonds, and one little bank, in a town of eighty-seven people, in Iowa, after making an aggressive campaign, obtained subscriptions of nearly \$200,000. The tremendous resources of the agricultural communities have hardly been touched yet, but I believe there will be a handsome response from those sections when the next loan is asked for.

"After all, why haggle about the rate? These bonds will all be held in the United States. If every citizen takes his proper share, as he is supposed to do, there will be no one to complain about the rate. The taxpayer who does not take his share is not in a position to cry very loudly. I also believe it would be of great benefit to the government to pay a commission to bond salesman to insure the widest possible distribution.

"Personally I would much prefer to see bonds issued on the plan proposed by E. K. Bolsot, but am afraid such a radical departure from long established customs could not be brought about in the short time necessary."

Schwartz, scrutinizing another item. "He needs them to try lawsuits," suggested Alderman A. A. McCormick.

Following are some of the tentative reductions approved by the committee yesterday:

Corporation counsel	\$13,500
City attorney	32,000
Comptroller	6,000
City collector	13,000
Election commissioners	49,200
Civil service commission	6,000

### STATE BREWERS PUT DRY CONTROVERSY UP TO PEOPLE

Ernest Recker Jr. was elected president of the Illinois State Brewers' association in the annual meeting. George Reisch was elected vice president, E. C. Lelsy, second vice president; Peter S. Theurer, treasurer, and Ernest Kunde, secretary. A resolution endorsing the president was passed.

The brewers did not discuss the prohibition movement, contenting themselves with the statement that the "attempts of those who want to curb the people's rights" is something to be settled between the reformers and the general public.

### CITY TO LOSE ALD. W. J. HEALY

Chicago will lose the services of one of its best aldermen next spring. The announcement was made that Ald. William J. Healy will not be a candidate for re-election in the Eighteenth ward. He may seek one of the county offices in the Republican primaries in September. John J. Gorman, an attorney, may get the regular Republican support for the nomination in Ald. Healy's place. Martin Walsh was endorsed last night by the regular Democratic faction in the Eighteenth ward.

Ald. U. S. Schwartz was endorsed for re-nomination and re-election at a meeting of the regular Democratic organization of the Third ward held at the Indiana theater.

Ald. Max Adamowski was endorsed for re-election at a meeting of the regular Democratic organization of the Twenty-eighth ward.

### LET CHICAGO FOLLOW SUIT

The new Mayor of New York has issued the following prohibitions to city employees:

1. Must not loiter in city automobiles with big cigars in their mouths.
2. Must not be conspicuous at baseball games when they should be in their offices.
3. Must not spend two hours at luncheon.
4. Must use city automobiles for city business only.
5. Must reduce excessive salaries.
6. Must not increase salaries that exceed \$1,800.
7. Must abolish useless positions.
8. Must not have too spacious offices or other than simple furniture and accommodations.
9. Must show no discourtesy or arrogance to callers.
10. Must dispense with so-called efficiency experts.

## IN THE CITY COUNCIL

### Important Public Business Before the Chicago Board of Aldermen

At the City Council meeting, Monday, City Controller Pike's estimates for this year's expenditures were transmitted.

The departments asked for \$30,624,288.15 to spend this year. The controller cut this to \$23,407,575.72. The controller's estimate of revenue is the same as the last figure. The departments spent \$26,541,480.87 last year.

A year ago the council refused to appropriate for the department of public welfare, presided over by Mrs. Louise Osborne Rowe. In this year's estimates from Mr. Pike, however, he allows an appropriation of \$43,250 for the department. Since the council refused to pay Mrs. Rowe, she has drawn her \$5,000 a year salary from Mayor Thompson's contingent fund.

The council did not discuss the estimates, except for a general talk on the amount allowed the electrical department. Most of the aldermen want to retrench in this department in any way other than to cut off street lighting. The cut will have to be made by laying off men and cutting down on supplies.

Practically every department is cut from 10 to 30% under what they spent last year. This means the laying off of several hundred employees and a general reduction in the amount of service furnished by the city.

The finance committee is expected to make several changes in the controller's figures, but the total amount appropriated is expected to be within the controller's estimated revenue for this year.

James B. Forgan, chairman of the Halifax relief committee, sent word to the council that the committee had

collected \$132,354 for the relief of the Canadian city.

Mayor Thompson appointed former Mayor Carter H. Harrison and Ald. R. H. McCormick on the commission for the encouragement of local art. The council concurred in these.

Officials of the Building Trades' council sent word to the aldermen that they would like to be represented in the proposed investigation of city departments to be made by the Chicago bureau of public efficiency. No action was taken on this.

Ald. Nance and Byrne offered resolutions looking toward having the city pay the hospital and physician bills of firemen injured on duty.

Ald. Edward F. Cullerton again questioned some of the actions of the police department. He offered resolutions and an order asking that the committee on schools, fire, police and civil service be told of all orders issued during the last ninety days by the police chief to the various captains.

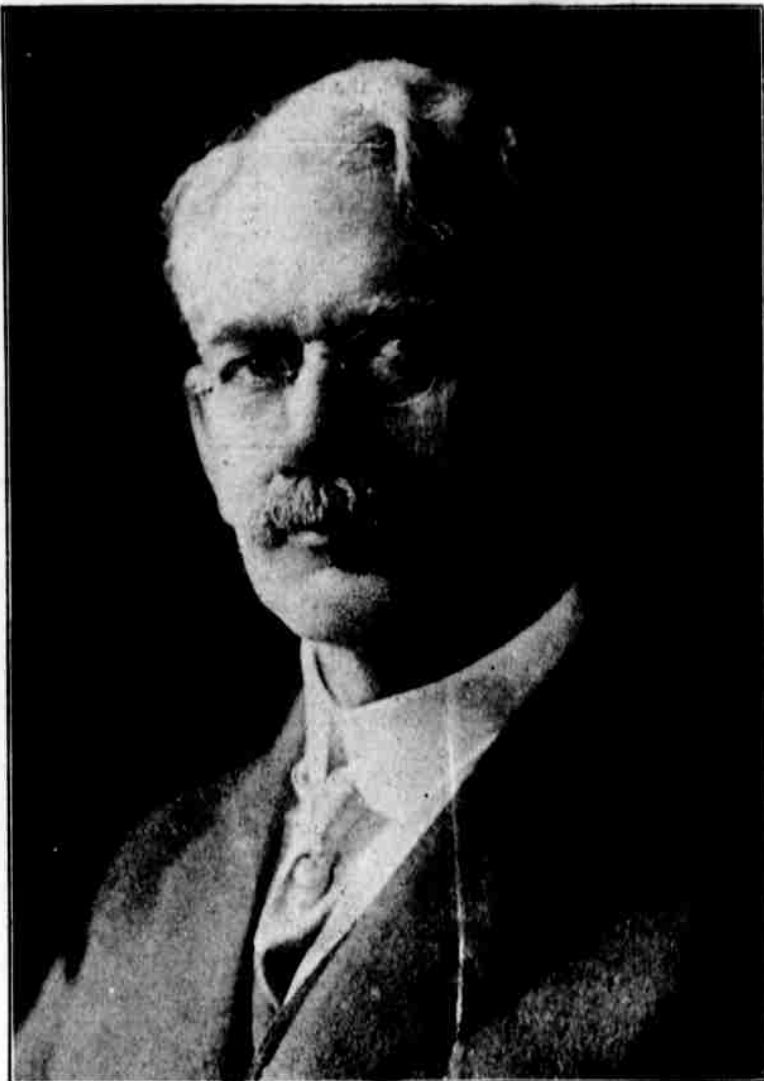
Ald. John Coughlin and William E. Rodriguez offered resolutions that the clerical force of the city work but seven hours a day. The temporary budget requires them to work eight hours. The former also asked for changes in the ordinance regulating poolrooms. The ordinance requires a clear view of the interiors of all such places from the street. This is impossible as many of the places are above the main floor.

Mayor Thompson appointed Ald. M. A. Michaelson head of a committee to go into plans for a new dog pound.

Ald. John Toman offered the report of the license committee, which contained an ordinance to do away with dancing in cabarets and all other forms of entertainment, except orchestras. This will be acted on at the council's next session.

Pawnbrokers may have to pay \$1,000 yearly license fees instead of \$300 now paid. Ald. Byrne asked the license committee to look into this.

The next meeting of the council will be held Jan. 28.



EDMUND D. HULBERT. President of the Merchants Loan & Trust Company.—The Oldest Bank in Chicago.

committee to succeed Representative Woods of Iowa. The committee will meet to elect officers later in the winter after all state delegations have selected their members. Others mentioned for the chairmanship include Representative Winslow of Massachusetts, Representative Longworth of Ohio and Senator Weeks of Massachusetts.

### ALDERMANIC POLITICS

It is reported that Ald. Thomas A. Doyle is not to be a candidate for re-election in the Fifth ward and the regular Democratic organization in the ward will support State Representative Robert J. Mulcahy for Ald. Doyle's place. Ald. Doyle trades jobs with Mr. Mulcahy and becomes the regular organization candidate for the

set many an arrangement within the Sanitary district board.

As far as can be ascertained, negotiations to oust Sergel have been in active progress, initiated in the Democratic camp and put up to the Republican county organization.

The matter, it is understood, is very likely to come officially before the Republican ways and means committee, when it meets Friday. At this same meeting the answer of the Deane men to the harmony proposition put out by the ways and means committee is due to be received.

President Sergel, it is understood, is prepared to fight bitterly and to the limit, any endeavor to reduce his term of office by four years.

The point at issue, the reports say, is that the sanitary district law covering the tenure of the president, is vague and open to opposing interpretations.

last bonds issued are now selling very close to a 4 1/2 per cent basis, and there is little demand for them for investment purposes.

The ten million subscribers to the last loan of \$3,500,000,000 now have a shrinkage of about 3 1/2 cents on each dollar, or about \$133,000,000 on the entire subscription. Certainly no bond can be put out at a less rate than 4 1/2 per cent without the practical certainty that every subscriber would suffer an immediate loss when he paid for his bonds. What sense is there in that, from any standpoint?

"I do not agree with those who fear the effect of a higher rate on other securities. Other securities are, of course, bound to be affected by the flotation of these huge government loans, which absorb not only all funds available for investment purpose but in many cases force the selling of other investments for the purpose of

### PRESIDENT LAMPERT, C. A. A.

Nelson N. Lampert, who was elected president of the Chicago Athletic association without opposition is vice president of the Fort Dearborn National and the Fort Dearborn Trust and Savings banks, and has been with the former institution thirty years. He served a term as president of the Lincoln park board, during which many improvements were made in the athletic and recreation facilities of the park.

Mr. Lampert is thoroughly in accord with President Wilson's pronouncement in favor of the continuation of athletics during the war.

"We mean to keep home athletics going, as there is nothing like athletics to develop soldiers," he said.

### MUCH WIND—NO SAVING

Aldermanic Taxi Cabs who were going to save a million dollars in the election ballots and city law offices have turned their attention to saving jobs and nothing else.

What interested the committee especially in the estimates for the city attorney was the varied assortment of investigators provided for. There were more than forty of such jobholders.

"Why does the city attorney need special attorneys?" inquired Alderman

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